

# USTR NEWS

## UNITED STATES TRADE REPRESENTATIVE

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### **Ambassador Kirk Meets Mozambican Minister, Says Increased Two-way Trade Can Help Advance Economic Development in Poorest Countries**

WASHINGTON D.C. - U.S. Trade Representative Ron Kirk met with Mozambican Commerce and Industry Minister Antonio Fernando today to discuss ways to increase trade and investment flows between the two countries. The discussions took place as part of the second high-level meeting under the U.S.-Mozambique Trade and Investment Framework Agreement (TIFA), signed in 2005. This was Ambassador Kirk's first meeting with one of his African counterparts.

Ambassador Kirk opened the day-long TIFA Council meeting, which included discussions on two-way U.S.-Mozambican trade, implementation of the African Growth and Opportunity Act (AGOA), the WTO Doha negotiations, trade capacity building activities, and measures to improve the environment for two-way U.S.-Mozambican trade. More than a dozen U.S. Government agencies participated in the discussions.

"The Obama Administration is committed to a strong partnership with African countries on trade," said Ambassador Kirk. "We know that expanded trade can make an important contribution to boosting growth and reducing poverty in Africa. Moreover, economic growth in developing countries, like Mozambique, also benefits the American economy by expanding markets for American exporters. We will use the TIFA process and our trade capacity building assistance to support Mozambique's efforts to improve its business environment and use trade to advance economic development."

The U.S. Government committed \$224 million in trade capacity building assistance to Mozambique in Fiscal Year 2008, most of which was connected with Mozambique's compact with the Millennium Challenge Corporation. This assistance will help support small-scale farmers, improve land administration, rehabilitate key roads, support trade policy reforms, and improve Mozambique's business environment.

#### **BACKGROUND:**

Two-way goods trade between the United States and Mozambique nearly doubled in 2008, totaling \$229 million. U.S. exports to Mozambique totaled \$213 million in 2008, up 86 percent from the previous year, and included energy products, wheat, trucks, and tractors. U.S. imports

from Mozambique were valued at \$16.8 million during 2008, up 214 percent over the previous year, and included titanium and tantalum ores, cashews, and semiprecious stones. Substantially all Mozambican imports entered the U.S. duty-free in 2008, either under most-favored-nation zero-rate provisions, AGOA, or the Generalized System of Preferences.

Mozambique is one of 11 sub-Saharan African countries and regional organizations with which the United States has a Trade and Investment Framework Agreement.

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